



## Country Energy Keeps the Lights On with HP MPS

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Switching to HP's Managed Print Service to keep printers running and stocked with supplies has meant IT staff at Australia's largest electricity network, Country Energy, can concentrate on ensuring the lights stay on for the company's 800,000 customers.

### Overview

Providing IT support for government-owned electricity provider Country Energy's 4,525 staff, who work in 169 offices – predominately across regional New South Wales, but also with sites in Queensland and Victoria – was a hard task. The job to maintain and accurately budget and forecast the printer fleet was made even harder as general staff in some offices, rather than IT staff, were purchasing printers and supplies, maintenance contracts, spare parts and toner.

These were the key drivers for Country Energy looking for a better solution and eventually requesting printer management services from Hewlett-Packard (HP) in August 2008.

"In 2006 and 2007 we had approximately 31 IT service desk and desktop staff that serviced printer issues for around 800 printers," said Alan Montgomery, Group Manager, Business Services for Corporate Information & Technology Strategy, Country Energy. "This took up a substantial amount of time that could have been better spent servicing our customers"

Switching to HP's Managed Print Services (MPS) has meant that Country Energy has cut out about 95 per cent of the time IT staff used to spend on printer maintenance. Meanwhile, the implementation of a single billing system has also meant the business can better track and forecast its budget.

### Business challenges

Country Energy has offices in just about every major town in regional New South Wales, some with just a few staff at each site.

"The challenge is that many offices only have staff numbers between 3 to 30 people," Montgomery said.

As a consequence, general staff not specialised in IT, were often in charge of purchasing office printers. There was little consistency within the business in terms of the standards or lower purchase costs – the benefits of a whole-of-business purchasing strategy.

An HP-led audit of printers at the outset of the roll-out of the MPS revealed, as

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anticipated, that many offices had inappropriate models of printers for their needs.

Prior to the switch to HP's MPS, the make-up of Country Energy's printer fleet was around 85 per cent HP and 15 per cent Toshiba, as well as other desktop printer brands.

Rationalising printers and obtaining a standard cost for toner and other disposals were key challenges that IT wanted to address through HP's MPS solution.

### **How HP helped**

In a deal instigated by IBM, Country Energy turned to HP in 2006 to provide an automated toner service. The service would mean staff would not have to waste time ordering toner and, as the leases on individual printers expired, a consistency in the brand selection of printers used across the business would emerge.

However the service did not deliver to expectations. "The service was never set up properly. HP needed to take ownership of the solution to drive its success. Initially the partner resources did not have the expertise to realise that even though the solution was provided by HP it still had to be owned and managed, especially in a unique business environment such as ours," Montgomery said.

At a fiery review meeting of the automated toner service, the then Chief Information Officer (CIO) at Country Energy, Patrick Cooper determined that just partially outsourcing printer management was not working for the business.

"Buying and maintaining printers has never been, nor will ever be, core to our business, so at the meeting we set a challenge with HP to take on Country Energy as a fully Managed Print Service. We set up service level agreements (SLAs) and deliverables that met our business needs, and outlined the cost savings and benefits we wanted to measure. HP accepted the challenge.

"We set up SLAs based on requirement and location, so for example there was an SLA on response to call and resolution time. We wanted a 60-minute response time. Most problems can be resolved by dialling in and talking to someone."

Montgomery, who comes from an outsourcing background, says another SLA was that no one in the business would be without a working printer for more than three days, regardless of location but also with tighter SLAs for regional offices.

HP's design and discovery phase began in 2007, with finalised Managed Print Service (MPS) beginning in August 2008.

As at March 2010, 670 HP printers had been installed across Country Energy under the MPS.

"We have a core of 6 to 8 models under MPS. On top of these 670 printers, we have another 100 printers, plotters, scanners and inkjets that are not provided for under the MPS," Montgomery explains.

### **Value delivered**

"HP's MPS has now been in place for two years and it is working extremely well," Montgomery enthuses. "The level of involvement from IT staff in any activity concerning printers is 'minimal'.

"IT staff set up the network drives, but they do not do maintenance or support. HP's



MPS has cut out about 95 per cent of the time they used to spend on the printers.

“Our IT staff headcount has not been reduced as a result of HP’s MPS. Rather, this service has freed up IT staff to concentrate on core IT services that better support our business. Staff acceptance of the service is good.”

Printers are now renewed based on depreciation, and targets are in place to rationalise the fleet, based on technology.

Montgomery says this has been a challenge. “The fleet initially decreased and then grew.” While printer numbers have grown, costs have decreased as each office is now equipped with an appropriate printer for its workload.

“We had a goal that in our fourth year the number of printers we had on board would be down 10 to 15 per cent. However, we still have a lot of under-utilised printers in our head office.”

Montgomery says Country Energy is still looking to rationalise printers into the future, especially in key locations such as Port Macquarie and Bathurst.

“We are saving money in terms of staff time spent on printer management and the type of printers we have. We also now have a standard cost for toners and other disposals. Each office does not have to order toner - it is just delivered to them - so there are time savings there too.”

Montgomery says a single billing system provided by HP, means he now receives one bill that includes the cost of printers covered by the MPS, as well as those printers that are not.

“We can better track and forecast our budget now that we have a total cost, excluding paper, as each office buys its own paper. Without having an effective tracking mechanism in place prior to the MPS, it is hard to say if our costs have reduced, but we can now track our growth, costs and budget accordingly.”

## **Summary**

**Industry:** Energy

### **Solution:**

- HP Managed Print Services
- HP LaserJet printers (model numbers: 2800DTN, CM6040f, CM4730f, 9500MFP, 5550dtn, CP3505DN, 4700dtn, 9050, 3390, 3392, M2727nf, M4345x, M3035xs, P2015n, 4250dtn, M5035x, 9040, 2840, 3015, 3500N)
- HP DesignJet printers (model numbers: 4500PS, 4250, 4500MFP, 4000PS)
- HP DesignJet Scanner 4520

**Challenge:** Streamline and divest printer management across nearly 160 regionally dispersed sites throughout New South Wales so as to enable the IT department at Country Energy to better control the printer fleet and free up their IT staff resources.

**Benefits:** HP’s Managed Print Service has freed up key IT staff to focus on core IT



competencies to better support the Country Energy business. Costs can now be monitored, budgeted and controlled due to a single billing system. Technology with the printer environment enables individual business unit cost management. The refresh program ensures Country Energy is at the forefront of printer technology.

### **About Country Energy**

Country Energy is a leading Australian energy business. Country Energy operates Australia's largest electricity network spanning 95 per cent of New South Wales. It offers retail electricity in six States and Territories, providing electricity, natural and bottled gas, water and energy management, as well as water services to customers in far western New South Wales.

### **About HP**

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